



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON, DC 20350-2000

10 SHS

IN REPLY REFER TO

OPNAVINST 4400.9B
OP-412E

12 JUL 1985

OPNAV INSTRUCTION 4400.9B

From: Chief of Naval Operations

Subj: DEPOT LEVEL REPAIRABLE ITEM MANAGEMENT

Ref: (a) OPNAVINST 4441.12B (NOTAL)
(b) NAVSUPINST 4440.160A of 26 Feb 86
(c) OPNAVINST 4614.1F
(d) DODINST 4151.1 of 15 Jul 82 (NOTAL)

1. Purpose. To provide policy and assign responsibilities for the management of Depot Level repairables (DLRs). This instruction has been substantially revised, and should be reviewed in its entirety.
2. Cancellation. OPNAVINST 4400.9A.
3. Changes. Changes in this instruction include: (1) reassignment of responsibilities to ensure effective management of the DLR program, and (2) revision of policy regarding use of concurrent rework in component repair.
4. Scope. This instruction applies to all activities that manage, use, process, repair, or control DLRs, (i.e., principal and secondary items with Material Control Codes (MCCs) E, G, H, Q, or X, with the exception of COG 6RX).
5. Background. The evolution of sophisticated maintenance philosophies and supply management procedures for DLRs has paralleled the increased acquisition of complex weapons systems and equipment. These complex weapons systems and equipments contain numerous repairables which are costly to procure. It is generally more economical to repair defective components and restore them to Ready For Issue (RFI) condition than to procure replacements. Intensive management of these repairables is essential for improving fleet readiness in the most effective manner.
6. Policy. Repairables management shall optimize the repair pipeline and repair cycle requirements for DLRs and ensure adequate visibility and control of noninstalled DLRs. The following supports this general policy:

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a. Retail stock levels (fixed allowances) of DLRs for operating forces and shore activities will be developed following the policies contained in reference (a), and be authorized by CNO (OP-41).

b. The fixed allowance will be the maximum stock level maintained. Requests for additions to an authorized fixed allowance will be submitted to the Navy Inventory Manager (IM) and approval received prior to requisitioning the items from the supply system.

c. All noninstalled DLRs, except Maintenance Assist Modules/Test Bench Installation (MAMs/TBIs) spares, will be considered as filling the fixed allowance regardless of condition, location, or status, including dues from the supply system. MAMs/TBIs are not included under fixed allowance computations, but are managed separately as promulgated by the Hardware Systems Commands (HSCs).

d. DLRs will be managed under a one-for-one reorder policy. Replenishment and Direct Turnover (DTO) DLR requisitions will be limited to a quantity of one each, with exceptions promulgated by Naval Supply Systems Command. Requisitions will be initiated only after an unserviceable component, which is beyond the repair capability of the organizational or intermediate maintenance level, is processed for shipment to the Designated Overhaul Point (DOP), has been surveyed, or after an approved allowance change has been received.

e. Remain-in-Place (RIP) items are failed DLRs that are not feasibly removed prior to receipt of a replenishment. The HSCs will designate RIP items and develop procedures for managing/reporting RIP items. RIP listings will be published by the ICPs.

f. Fixed allowance operating sites will provide asset visibility to the appropriate Inventory Control Point (ICP) per reference (a).

g. Fixed allowance operating sites will conduct, as a minimum, an annual physical inventory of DLRs and return to the wholesale system all noninstalled DLRs which exceed the authorized fixed allowance. Specific requirements for more frequent physical inventories may be promulgated by TYCOM/Headquarters direction. Following reference (b), allowance recomputations (and subsequent turn-in of excess material generated by the recomputation) will be conducted at least once between allowance conferences.

h. DLR requisitions will cite Uniform Material Movement and Issue Priority Systems (UMMIPS) designators appropriate to the requesting activity's Force Activity Designator (F/AD) and Urgency of Need Designator (UND) as required by reference (c). Shipment documentation for retrograde movement of unserviceable DLRs will cite the movement priority designator as determined by the cognizant manager, per reference (c).

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i. DOPs will be assigned per reference (d).

j. A depot repair cycle time goal will be established for each DLR. Repair cycle time and repair cost will be tracked for each DLR and will be the basis for management action for problems concerning individual items.

k. For stock funded DLRs, the Navy Stock Fund finances both depot level repair and procurement. Customers will requisition stock funded DLRs under a two price system. The requisitioner will pay the net price when a Not Ready for Issue (NRFI) carcass is turned-in, or the standard price if no NRFI carcass is returned to the supply system. The Appropriation Purchases Account finances the procurement of non-stock funded DLRs.

l. Commander Naval Supply Systems Command (NAVSUPSYSCOM) has implemented the Advanced Traceability and Control (ATAC) system to track NRFI DLR carcasses to ensure prompt return of carcasses to the supply system and to reduce the investment in repairable item inventories. NAVSUPSYSCOM may develop other programs for the intensive management of DLRs, or selected subsets of the DLR inventory, when required to improve responsiveness to customer requirements.

m. Concurrent rework (the removal and repair of a repairable component, and reinstallation of that same component into the higher assembly or end item from which it was taken) during overhaul, rework, or repair programs for ships, aircraft, weapons systems, equipments, and other end items at organic depot repair activities, is authorized when determined by the DOP to be the most expedient and economical means of repairing/overhauling weapons systems/equipments. In instances where the Master Repairable Item List (MRIL) indicates that a Ready For Issue (RFI) asset is in long supply, requirements for that asset shall be satisfied via the supply system, in lieu of concurrent rework. Requisitions for such assets are to be coded as nonrecurring to preclude recording the requirement in the item's demand base.

7. Action

a. NAVSUPSYSCOM will:

(1) Provide policy guidance and direction relating to overall DLR management and control.

(2) Develop procedures for establishing and approving changes to authorized fixed allowances for operating forces and shore activities within the framework of reference (a).

(3) Develop procedures for providing asset visibility of non-installed repairable assets.

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(4) Manage and control the DLR program through oversight and review of DLR program performance indicators.

(5) Establish depot repair cycle time goals and reporting systems for use in inventory management.

(6) Ensure that automated procedures are developed, or modified, to provide management with data required to compute inventory levels.

(7) Develop and implement carcass tracking systems to monitor turn-in of unserviceable DLRs. Turn-in performance of the operating forces and shore activities will be monitored. Type Commanders and major claimants will be notified of any requisitioning activity with an abnormally low carcass return rate.

(8) Publish RIP listings based on input from the HSCs.

b. Chief of Naval Education and Training will ensure that policies and procedures for the management of DLRs are incorporated in school curricula, training manuals, and achievement/advancement examinations.

c. Hardware Systems Commands will:

(1) Ensure that once the overhaul point has been designated for each DLR, ensure the availability of all tools, specifications, training, and other requirements necessary to repair assets within established Repair Turn-Around-Time (RTAT) goals.

(2) Publish RIP policy and provide a listing of DLRs under their control to the ICPs.

(3) Comply with the requirement to utilize long supply assets (as indicated in the MRIL) in lieu of concurrent rework.

d. Major Claimants will:

(1) Implement fixed allowances for DLRs (per reference (a)) and maintain those allowances on a one-for-one exchange basis.

(2) Submit fixed allowance change requests (reflecting both increased and decreased requirements) to the appropriate ICP and, when increases are necessary, receive authority to change the fixed allowance, prior to requisitioning the new stock level from the supply system.

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(3) Maintain records showing the quantity, location, and status of all noninstalled DLRs, including suspense/due-in files for those which require turn-in as a result of issuing or ordering actions.

8. Implementation. Provide implementing instructions for the policies contained here to Chief of Naval Operations (OP-41).



EDWARD M. STRAW

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